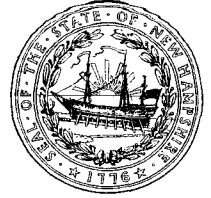




The State of New Hampshire
Department of Environmental Services



Michael P. Nolin
Commissioner

February 15, 2006

John Kemp
Environmental Health and Safety Manager
Stryker Biotech
9 Technology Drive
Lebanon, New Hampshire 03784

CERTIFIED MAIL (7099 3400 0018 1290 6511)
RETURN RECEIPT REQUESTED

LETTER OF DEFICIENCY
No. ARD 2006-005
(Sta.S.)

Dear Mr. Kemp:

On October 12, 2005, the New Hampshire Department of Environmental Services, Air Resources Division ("DES") conducted a compliance inspection at Stryker Biotech ("Stryker"). The purpose of the inspection was to determine Stryker's compliance status with Temporary Permit FP-T-0112 ("the Permit") issued to Stryker by DES on August 10, 2004; General State Permit GSP-EG-108 ("the General Permit") issued to Stryker by DES on December 12, 2003; and NH Administrative Rules Env-A 100 *et seq.* The purpose of this Letter of Deficiency ("LOD") is to notify Stryker of the violations discovered during the inspection and subsequent file review and to present the necessary action needed to resolve them. The specific violations are as follows:

1. Env-A 603.01 requires a person to apply for and obtain a temporary permit prior to installing a device that requires a permit. Env-A 607.01(d) requires the owner or operator of one or more internal combustion engines with a total heat-input design rating of 1.5 MMBtu/hr or greater to obtain a temporary permit. Stryker installed Generator #1, a 14.56 MMBtu/hr engine, in 2000 without first obtaining a temporary permit. Stryker applied for a permit for Generator #1 in 2002 and DES issued the General Permit. In addition, Stryker applied for a temporary permit for Boiler #1, Boiler #2, and Generator #2 in March of 2004. Stryker installed the devices in July of 2004, prior to the issuance of Temporary Permit FP-T-0112 on August 10, 2004.
2. Env-A 907.01(a) requires the owner of any stationary source subject to Env-A 600 to submit an annual emissions report. The report must be submitted for each calendar year of operation no later than April 15 of the following year. At the time of the October 12, 2005 inspection, Stryker had not submitted annual emissions reports for calendar years 2000 and 2001. In addition, Env-A 907.01(b) requires that annual emissions reports for fuel burning devices include all information in accordance with Env-A 903.03. Stryker has failed to include the following information in its annual emissions reports for calendar years 2002-2004:
 - a. monthly fuel consumption;
 - b. fuel type; and
 - c. monthly hours of operation for each device.

On January 10, 2006, DES received annual emissions reports from Stryker for calendar years 2000 and 2001.

3. Env-A 1405.01 requires the owner or operator of any device or process that emits a regulated toxic air pollutant to determine compliance with the ambient air limits ("AALs") listed in Table 1450-1. Further, Env-A 1403.01 requires the facility to provide documentation of compliance as requested. Stryker has not completed a compliance determination of its regulated toxic air pollutant emissions.
4. Condition VIII.C.2 of the Permit requires Stryker to maintain records of the sulfur content of any gaseous or liquid fuel burned in any of their combustion devices. Stryker burns diesel fuel and LPG. At the time of the October 12, 2005 inspection, Stryker did not have records on the sulfur content of either of these fuels. On January 10, 2006, DES received documentation from Stryker on the sulfur content of its diesel fuel and LPG.
5. Condition IX.C.2 of the Permit requires Stryker to submit an annual fuel certification report to DES within 30 days of the end of the reporting period. At the time of the October 12, 2005 inspection, Stryker had not submitted this report for calendar year 2004. On December 12, 2005, DES received the annual fuel certification report for calendar year 2004.
6. Condition VIII.E of the General Permit requires Stryker to maintain a 12-month running total record of facility-wide emissions. Stryker did not have this data available at the time of the October 12, 2005 inspection.

DES believes that Stryker can resolve the deficiency set forth in paragraph 3 by taking the following action:

7. Within 30 days of the date of this LOD, Stryker shall provide documentation of compliance with the AALs as specified in paragraph 3 above.

As a reminder, if Stryker decides to install any device that is required to be permitted according to Env-A 607.01, Stryker shall first apply for and obtain a temporary permit. Also, if Stryker finds that it is not in compliance with any of the AALs specified in Env-A 1450.01, it shall submit an application for a permit to DES for the device or process that exceeds the AAL in accordance with Env-A 1403.01. The application shall include a description of the controls or process modifications that Stryker intends to use to comply with the AAL or a compliance plan that stipulates the actions with deadlines for performance that Stryker shall use to comply with the AAL. Finally, in the future, Stryker shall include all information in its annual emissions reports and maintain all records as specified in the Permit.

In the event compliance is not achieved within the time period indicated, DES may initiate formal action against Stryker including issuing an order requiring the deficiencies to be corrected, and/or referring this matter to the NH Department of Justice for imposition of civil and/or criminal penalties. DES reserves the right to pursue administrative fines for the violations noted above.

Please be advised that DES will continue to monitor Stryker's compliance status and that this letter does not provide relief against any other existing or future violations. It is important that Stryker be aware of all the requirements in the Permit and General Permit. Please feel free to contact DES should you have any questions regarding compliance with the NH Code of Administrative Rules Env-A 100 *et seq.* and the requirements of the Permits. In the event that other violations are identified, DES may take further action against Stryker, including issuing an administrative order, seeking administrative fines, and/or referring this matter to the New Hampshire Department of Justice for civil and/or criminal penalties.

If you believe that DES has cited these violations in error, or have questions regarding these matters, please contact Barbara Hoffman at (603) 271-7874, Compliance Bureau, Air Resources Division. A current copy of the Air Resource Division rules can be obtained from the DES website at <http://www.des.state.nh.us/rules/air.htm>, or by contacting the Public Information Center at (603) 271-2975.

Sincerely,

A handwritten signature in black ink is written over the word "COPY", which is printed in large, bold, black capital letters. The signature appears to be "P. Monroe".

Pamela G. Monroe
Compliance Bureau Administrator
Air Resources Division

PGM/blh

cc: R. Kurowski, EPA Region 1
G. Hamel, NHDES Legal Unit
J. Dean, Mayor, City of Lebanon
AFS#3300990287